REMARKS

Claims 1-20 remain in the application for consideration. In view of the following remarks, Applicant respectfully requests that the application be forwarded on to issuance.

§ 103 Rejections

Claims 1-20 stand rejected under U.S.C. §103(a) as being unpatentable over U.S. Patent No. 6,639,943 to Radha et al. (hereinafter "Radha") in view of U.S. Patent No. 6,731,811 to Rose (hereinafter "Rose").

Before undertaking a discussion regarding the substance of the Office's rejections, the following discussion of the § 103 Standard is provided.

The § 103 Standard

In making out a §103 rejection, the Federal Circuit has stated that when one or more reference or source of prior art is required in establishing obviousness, "it is necessary to ascertain whether the prior art teachings would appear to be sufficient to one of ordinary skill in the art to suggest making the claimed substitutions or other modification." In re Fine, 5 USPQ 2d, 1596, 1598 (Fed. Cir. 1988). That is, to make out a prima facie case of obviousness, the references must be examined to ascertain whether the combined teachings render the claimed subject matter obvious. In re Wood, 202 USPQ 171, 174 (C.C.P.A. 1979).

Moreover, there is a requirement that there must be some reason, suggestion, or motivation from the prior art, as a whole, for the person of ordinary skill to have combined or modified the references. See, In re Geiger, 2 USPQ 2d 1276, 1278 (Fed. Cir. 1987). It is impermissible to use the claimed invention as an

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instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious. One cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention. *In re Fritch*, 23 USPQ 2d 1780, 1784 (Fed. Cir. 1992).

A factor cutting against a finding of motivation to combine or modify the prior art is when the prior art teaches away from the claimed combination. A reference is said to teach away when a person or ordinary skill, upon reading the reference, would be led in a direction divergent from the path that the applicant took. In re Gurley, 31 USPQ 2d 1130, 1131 (Fed. Cir 1994).

In order for a prima facie case of obviousness to be made, the resulting combination or motivation must appear to show or suggest the claimed invention.

In re Nielson, 2 USPQ 2d1525, 1528 (Fed. Cir. 1987).

In addition to the standard discussed above, the Office has provided a paper, available at the following link:

http://www.uspto.gov/web/menu/busmethp/busmeth103rej.htm

that describes proper and improper rejections made under §103(a). Particularly instructive is Example 17 that appears in Section V of the paper illustrating an improper §103(a) rejection which is based upon a proposed motivation that is simply too general and lacking in particularity. This example is reproduced below in its entirety for the Office's convenience:

V. Examples of Improper Rejection under 35 U.S.C. 103

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Example 17: Improper rejection based upon hindsight - general

a. The claimed invention

The invention is drawn to a smart card containing a tracking mechanism, which tracks shopping preferences of consumers by recording the type, quantity, and dates of purchase for a pre-selected group of products. The smart card is useful in a system and method for introducing new and alternative products that are of the same type as products normally purchased by the shopper. The smart card records the shopper's purchases and submits an automatic notification to the shopper when a quantity threshold is achieved for the pre-selected products. This notification will encourage the consumer to consider alternative products by providing the consumer incentives, such as a pricing discount, to purchase an alternative product.

Claim 1:

motivation statement.

A method for using a smart card in a marketing analysis program designed to introduce new products, the method comprising the steps of:

storing product information on the smart card when said products are purchased by a consumer wherein said information including type, quantity and dates of the product purchased;

identifying for each product a threshold for each of said type, quantity and dates of products purchased:

determining an incentive for an alternative product based on said threshold; and

automatically notifying said consumer when said threshold is reached for a given product identified on the smart card and providing the consumer with said incentive, whereby the incentive encourages the consumer to consider alternative products.

b. Evidence

Reference A discloses smart card that tracks consumer preferences by recording the type, quantity, and dates of purchase of pre-selected products to determine trends in consumer purchases. The smart card is periodically read by a scanner to determine its contents for market analysis. In return for using the smart

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24 25 card and participating in the marketing program, the user is provided with free product coupons for products that are normally purchased by the shopper.

Reference B discloses a traditional consumer incentive program that provides coupons for the purchase of named products based upon the consumer's purchase of those same products to promote customer loyalty.

c. Poor statement of the rejection

Claim 1 is rejected under 35 U.S.C. 103 as being unpatentable over Reference A in view of Reference B. Reference A discloses the conventional use of a smart card to track consumer preferences and provide incentives. However, Reference A does not disclose the automatic notification to consumer providing incentives. Reference B discloses providing incentives to consumers to purchase the desired products. It would have been obvious to combine Reference A's smart card with Reference B's incentive to consumers because the combination would allow Reference A's smart card to be more efficient.

d. Analysis

The motivation, improve efficiency, is too general because it could cover almost any alteration contemplated of Reference A and does not address why this specific proposed modification would have been obvious. Additionally, there is nothing in either of references that would suggest automatically notifying the consumer when reaching a threshold nor is there anything in either reference that would suggest the notifying step. Finally, although Reference B teaches a traditional coupon scheme to promote customer loyalty, there is no suggestion, other than applicant's disclosure, to employ this scheme to promote the introduction of new and alternative products. The rejection is improper.

Claims Rejected over Radha in view of Rose

Claim 1 recites method of processing media content, the method comprising:

- generating a motion compensated prediction of a region of media content;
- receiving an indication of whether there are first and second quantities of residual samples remaining for refining the prediction, on a per-region basis; and

- adding of the first quantity of residual samples to the prediction to generate a refined prediction value, when so indicated; and
- subtracting the second quantity of residual samples from the refined prediction value to generate a final representation, when so indicated.

In making out the rejection of this claim, the Office argues that Radha discloses all of the subject matter of this claim except for subtracting the second quantity of residual samples from the refined prediction value. For this feature, the Office relies on Rose and argues that its combination with Radha would render the subject matter of this claim obvious. As a motivation for making this combination, the Office argues that the motivation would be to "obtain an apparatus that operates more efficiently by being able to take advantage of addition information given to a system."

Applicant respectfully submits that the Office has not established a prima facie case of obviousness. Specifically, Applicant respectfully submits that the references do not collectively disclose all of the subject matter of this claim. More importantly, however, the Office's stated motivation (to improve efficiency), just like the motivation provided in the example in the Office's own paper, is too general because it could cover almost any alteration contemplated of Radha and does not address why this specific proposed modification would have been obvious.

Accordingly, the Office has not established a prima facie case of obviousness and this claim is allowable.

Claims 2-9 depend from claim 1 and are allowable as depending from an allowable base claim. These claims are also allowable for their own recited features which, in combination with those recited in claim 1, are neither disclosed

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nor suggested in the references of record, either singly or in combination with one another.

Claim 10 recites a medium comprising a plurality of executable instructions which, when executed, implement a decoder of media content to generate a motion compensated prediction of at least a region of media content, to receive an indication of one or more sets of samples of residual information to further refine the prediction, and to add a first set of such samples to the prediction to generate a modified prediction, if indicated, and to subtract a second set of such samples from the modified prediction to generate a final motion compensated prediction of the region, if indicated.

In making out the rejection of this claim, the Office argues that its subject matter is obvious in view of the combination of Radha and Rose, and uses the same motivation as used above. For the reasons set forth above with regard to the Office's failure to establish a *prima facie* case of obviousness, this claim is allowable.

Claims 11-14 depend from claim 10 and are allowable as depending from an allowable base claim. These claims are also allowable for their own recited features which, in combination with those recited in claim 10, are neither disclosed nor suggested in the references of record, either singly or in combination with one another.

Claim 15 recites a computing system comprising:

- a decoder application to receive a region of media content and control generation of decoded media content; and
- an application program interface (API), communicatively coupling the decoder application with a hardware accelerator, wherein if the API receives an indication of one or more sets of residual samples,

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the first set of samples is added to a motion compensated prediction to generate a refinement of a prediction value, when so indicated, and a second set of samples is subtracted from the refined prediction value to generate a final representation, when so indicated.

With regard to claim 15, the Office appears to use the same argument or at least relies on the same combination of Radha and Rose, which rests on the motivation discussed above. For all of the reasons set forth above with regard to the Office's failure to establish a *prima facie* case of obviousness, this claim is allowable.

Claims 16-20 depend from claim 15 and are allowable as depending from an allowable base claim. These claims are also allowable for their own recited features which, in combination with those recited in claim 15, are neither disclosed nor suggested in the references of record, either singly or in combination with one another.

Conclusion

All of the claims are in condition for allowance. Accordingly, Applicant requests a Notice of Allowability be issued forthwith. If the Office's next anticipated action is to be anything other than issuance of a Notice of Allowability, Applicant respectfully requests a telephone call for the purpose of scheduling an interview.

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Respectfully Submitted

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